

S. Morris Hadden
Jimmie Carpenter Miller
Gregory K. Haden
Michael L. Forrester
Stephen M. Darden
James N. L. Humphreys¹
Michael S. Lattier^{5,6}
Scott T. Powers
Leslie Tentler Ridings
Jason A. Creech
Meredith Bates Humbert
Joseph B. Harvey⁴
Caroline Ross Williams¹

HUNTER·SMITH·DAVIS
SINCE 1916 LLP

Kingsport Office
1212 North Eastman Road
P.O. Box 3740
Kingsport, TN 37664
Phone (423) 378-8800
Fax (423) 378-8801

Johnson City Office
100 Med Tech Parkway
Suite 110
Johnson City, TN 37604
Phone (423) 283-6300
Fax (423) 283-6301

Marcy E. Walker²
J. Christopher Rose¹
Sydney B. Gilbert
Will A. Ellis
Jordan T. Richardson
Laura Medlin Mickel²
Colin M. Wyvill
Luis A. Treviño⁸
Daniel J. Edwards
Georgia R. Seay

Of Counsel:
William C. Bovender
William C. Argabrite
Mark S. Dessauer
Christopher D. Owens^{1,3}
Jeannette Smith Tysinger
John B. Buda⁷
Sarah E. Larkin

www.hsdllaw.com

All Attorneys Licensed in Tennessee
Unless Noted

Additional Bar Memberships:
VA¹, NC², KY³, GA⁴, FL⁵, MT⁶, CA only⁷,
TX & MD (TN Pending)⁸

July 25, 2025

Respond to:
Kingsport Office
Joseph B. Harvey
423-378-8854
jharvey@hsdlaw.com

VIA EMAIL (tpuc.docketroom@tn.gov) & FEDEX

David F. Jones, Chairman
c/o Ectory Lawless, Dockets & Records Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

Electronically Filed in TPUC Docket
Room on July 25, 2025 at 8:20 a.m.

Re: IN RE: PETITION OF KINGSPORT POWER
COMPANY d/b/a AEP APPALACHIAN POWER
FOR JANUARY, 2024 – DECEMBER 2024 ANNUAL
RECOVERY UNDER THE TARGETED RELIABILITY
PLAN AND MAJOR STORM RIDER (“TRP&MS”),
ALTERNATIVE RATE MECHANISMS APPROVED IN
DOCKET NO. 17-00032
DOCKET NO.: 25-00022

Dear Chairman Jones:

On behalf of Kingsport Power Company d/b/a AEP Appalachian Power, we transmit herewith for filing Kingsport Power Company’s Letter in Response to Staff’s Request for Information and Clarification Purposes dated July 23, 2025.

The original and four (4) copies are being sent via Federal Express.

Very truly yours,

HUNTER, SMITH & DAVIS, LLP


Joseph B. Harvey

cc: Shilina B. Brown, Esq.
Karen H. Stachowski, Esq.
Vance L. Broemel, Esq.
Terra N. Allen

Via Email
Via Email
Via Email
Via Email

David F. Jones, Chairman

Page 2

July 25, 2025

Kelly Grams, General Counsel

Monica L. Smith-Ashford, Esq.

David Foster

Joe Shirley

Michelle Mairs

Grace Marek

William K. Castle, Director, Regulatory Services VA/TN

Elisabeth Bruce, Esq.

William C. Bovender, Esq.

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

S. Morris Hadden
Jimmie Carpenter Miller
Gregory K. Haden
Michael L. Forrester
Stephen M. Darden
James N. L. Humphreys¹
Michael S. Lattier^{3,4}
Scott T. Powers
Leslie Tentler Ridings
Jason A. Creech
Meredith Bates Humbert
Joseph B. Harvey⁴
Caroline Ross Williams¹

HUNTER·SMITH·DAVIS

SINCE 1916

LLP

Kingsport Office
1212 North Eastman Road
P.O. Box 3740
Kingsport, TN 37664
Phone (423) 378-8800
Fax (423) 378-8801

Johnson City Office
100 Med Tech Parkway
Suite 110
Johnson City, TN 37604
Phone (423) 283-6300
Fax (423) 283-6301

Marcy E. Walker²
J. Christopher Rose¹
Sydney B. Gilbert
Will A. Ellis
Jordan T. Richardson
Laura Medlin Mickel²
Colin M. Wyvill
Luis A. Treviño⁸
Daniel J. Edwards
Georgia R. Seay

Of Counsel:

William C. Bovender
William C. Argabrite
Mark S. Dessauer
Christopher D. Owens^{1,3}
Jeannette Smith Tysinger
John B. Buda⁷
Sarah E. Larkin

Respond to:
Kingsport Office
Joseph B. Harvey
423-378-8854
jharvey@hdsdlaw.com

All Attorneys Licensed in Tennessee
Unless Noted

Additional Bar Memberships:
VA¹, NC², KY³, GA⁴, FL⁵, MT⁶, CA only⁷,
TX & MD (TN Pending)⁸

July 25, 2025

www.hsdllaw.com

Craig Cox, CPA, CGMA
Financial Regulatory Analyst
Tennessee Public Utility Commission
Andrew Jackson Building, 4th Floor
502 Deaderick St., Nashville, TN 37243
Email: Craig.Cox@tn.gov

RE: KgPCo TRP & MS Rider (Docket No. 25-00022)

Dear Mr. Cox:

This letter will serve as the response of Kingsport Power Company, d/b/a AEP Appalachian Power ("KgPCo" or "Company") to the Staff's request for information for clarification purposes dated July 23, 2025.

1. a. An updated Revenue Allocation and Rate Calculation Exhibit 1 (JAS).

The current and agreed upon Revenue Allocation and Rate Calculation Exhibit 1 (JAS) is attached hereto in .pdf and Excel format. This version does not differ from KgPCo Exhibit No. 1 (JAS) that was filed with the Company's Petition and was agreed upon by the Consumer Advocate.

b. An updated TRP and MS Recovery Exhibit 1 (MLD), reflecting the agreement to recover 50% of Hurricane Helene expenses effective with new rates and deferral of the remaining 50% until next year's filing.

The current and agreed upon TRP and MS Recovery Exhibit 1 (MLD) is attached hereto in .pdf and Excel format. This version reflects the Company's proposal to recover 50% of Hurricane Helene expenses effective with new rates and deferral of the remaining 50% until next year's filing. This version does not differ from KgPCo Exhibit No. 1 (MLD) that was filed with the Company's Petition and was agreed upon by the Consumer Advocate.

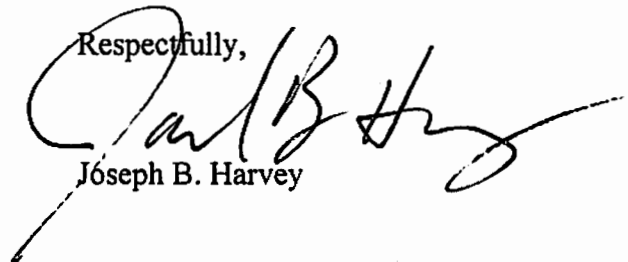
July 25, 2025

2. Any accompanying schedule(s) intended to have been submitted with the parties' outstanding issues letter as per the second paragraph. No accompanying schedules were forthcoming in the July 22, 2025, filing.

The rate schedule referenced in the second paragraph of the parties' July 22, 2025, outstanding issues letter is the Revenue Allocation and Rate Calculation Exhibit 1 (JAS), which is referenced in response to 1.a., above, and is attached hereto in .pdf and Excel format.

Should you have additional questions or need any further information, please do not hesitate to contact the undersigned.

Respectfully,



Joseph B. Harvey

cc: Shilina B. Brown, Esq.
Karen H. Stachowski, Esq.
Vance L. Broemel, Esq.
Terra N. Allen
Kelly Grams, General Counsel
Monica L. Smith-Ashford, Esq.
David Foster
Joe Shirley
Michelle Mairs
Grace Marek
William K. Castle, Director, Regulatory Services VA/TN
Elisabeth Bruce, Esq.
William C. Bovender, Esq.

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Via Email

Kingsport Power Company
TRP & MS Rider
Revenue Allocation and Rate Calculation

Revenue Allocation Factor by Tariff Subclass (a)		Revenue (b) Requirement (2)	Billing (c) Determinant (3)	Energy (¢)kWh	Rate/Charge Demand (\$)/KW or KVA (4) = (2 / 3)	Customer (\$)/Customer
(1)						
<u>Residential</u> - 011, 015, 018, 030, 051	33.21%	\$ 3,489,190	510,383			\$ 6.84
<u>Small General Service (SGS)</u> - 231, 232, 233	5.52%	\$ 579,956	47,523			\$ 12.20
<u>Medium General Service (MGS) Secondary</u> - 235	15.12%	\$ 1,588,574	366,712		\$ 4.33	
<u>General Service Time-of-Day (GS-TOD)</u> - 229	0.02%	\$ 2,101	332,419	0.63212		
<u>Medium General Service (MGS) Primary</u> - 237	0.00%	\$ -	0		\$ 4.24	
<u>Large General Service (LGS) Secondary</u> - 240, 242	20.19%	\$ 2,121,251	471,876		\$ 4.50	
<u>Large General Service (LGS) Primary</u> - 244, 246	3.96%	\$ 416,055	104,679		\$ 3.97	
<u>LGS Subtransmission/Transmission</u> - 248	0.00%	\$ -	0		\$ 3.89	
<u>Industrial Power (IP) Secondary</u> - 327	0.00%	\$ -	0		\$ 2.27	
<u>Industrial Power (IP) Primary</u> - 322	1.92%	\$ 201,724	91,299		\$ 2.21	
<u>Industrial Power (IP) Subtransmission/Transmission</u> - 323, 324	10.20%	\$ 1,071,657	834,537		\$ 1.28	
<u>Church Service (CS)</u> - 221	1.39%	\$ 146,040	8,549,481	1.70817		
<u>Public Schools (PS)</u> - 640, 641, 642	1.03%	\$ 108,216	26,732,113	0.40482		
<u>Electric Heating General (EHG)</u> - 208, 209	3.48%	\$ 365,624	122,463		\$ 2.99	
<u>Outdoor Lighting (OL)</u> - 094 - 126	3.14%	\$ 329,902	66,868			\$ 4.93
<u>Street Lighting (SL)</u>	0.82%	\$ 86,153	127,025			\$ 0.68
Total	100.00%	\$ 10,506,444				

(a) Allocation factors derived from Attachment A, Schedule 13, and Attachment C of the Settlement Agreement in Docket No. 21-00107.

(b) Excludes Prompt Payment discount per Consumer Advocate Witness Novak's recommendation.

(c) 12 months billing determinants from Docket No. 21-00107, Settlement Attachment C, Schedules 1-10

KINGSPORT POWER COMPANY
TARGETED RELIABILITY PLAN AND MAJOR STORM (TRP&MS) COSTS
OVER/UNDER RECOVERY COMPARED TO LEVEL OF TRP&MS COSTS IN BASE RATES AND RECOVERY THROUGH TRP&MS RIDER
FOR THE PERIOD JANUARY 2024 THRU DECEMBER 2024
\$

	Targeted Reliability Plan										Major Storms					
		Cumulative			Net TRP	Monthly	Pre-tax	Monthly	Monthly	TRP Costs	TRP		Major Storm	Major Storm	TRP&MS	Net TRP&MS
	Monthly O&M	Capital	Accum Depr	Accum Def	Capital	Carrying	Return on	Depreciation	Total TRP	in Base	Over/(Under)	Monthly O&M	Expenses in	Over/(Under)	Rider	Over/(Under)
	(a)	Additions	(c)	Income Taxes	Additions	Charge Rate	Capital	Expense	Costs	Rates	Recovery	(f)	Base Rates	Before Rider	Revenues	Recovery
					(b-c-d)		(e*f)	(h)	(i)	(j)	Before Rider	(g+h)	(m)	(n)	(o)	(p)
																(k+o+p)
Beginning Balance																
12/31/2023		15,905,223	133,323					35,212			(25,133,272)			(5,720,159)	24,939,016	(5,914,416)
Jan-24	304,458	16,170,513	168,999	740,761	15,260,753	0.63683%	107,684	35,676	447,818	-	(25,581,090)	(166,642)	-	(5,553,517)	330,869	(5,864,723)
Feb-24	277,737	16,432,718	204,840	750,630	15,477,248	0.63683%	90,564	35,841	412,143	-	(25,993,233)	-	-	(5,553,517)	344,533	(5,932,332)
Mar-24	376,259	16,659,026	241,188	762,156	15,655,682	0.63683%	99,695	36,348	512,303	-	(26,505,535)	(203,313)	-	(5,350,204)	321,866	(5,919,456)
Apr-24	167,967	16,929,699	278,175	772,666	15,878,858	0.63683%	101,122	36,907	306,076	-	(26,811,612)	409,319	-	(5,759,523)	324,405	(6,310,447)
May-24	614,563	17,321,439	315,977	783,004	16,222,457	0.63683%	103,310	37,802	756,074	-	(27,567,686)	-	-	(5,759,523)	321,733	(6,744,788)
Jun-24	207,316	17,500,644	354,206	793,253	16,353,185	0.63683%	104,143	38,229	349,608	-	(27,917,374)	-	-	(5,759,523)	345,070	(6,749,406)
Jul-24	419,312	17,570,245	392,593	803,469	16,374,183	0.63683%	104,276	38,387	561,975	-	(28,479,349)	-	-	(5,759,523)	312,613	(6,998,768)
Aug-24	488,700	17,543,847	430,590	813,696	16,299,222	0.63683%	103,799	38,337	630,836	-	(29,110,185)	-	-	(5,759,523)	299,112	(7,330,493)
Sep-24	394,749	17,954,102	470,302	823,705	16,660,096	0.63683%	106,097	39,372	540,218	-	(29,650,403)	1,290,669	-	(7,050,192)	504,635	(8,656,745)
Oct-24	967,500	18,253,702	510,393	833,563	16,909,747	0.63683%	107,687	40,091	1,115,758	-	(30,766,161)	3,281,319	-	(10,331,511)	504,754	(12,549,068)
Nov-24	558,824	18,505,139	551,028	905,472	17,048,640	0.63683%	106,790	40,635	746,249	-	(31,512,410)	130,284	-	(10,461,796)	684,212	(12,741,388)
Dec-24	723,938	19,093,392	593,091	957,139	17,543,162	0.63683%	110,574	42,064	376,576	-	(31,888,926)	297,099	-	(10,758,895)	403,934	(13,006,130)
	5,042,205						1,253,741	459,768	6,755,713	-		5,038,735	-		4,702,735	29,641,751
Life-to-Date																